

EXHIBIT C

COLLECTIVE BARGAINING AGREEMENT

BY AND BETWEEN

WASTE MANAGEMENT OF ALAMEDA COUNTY

. AND

WAREHOUSE UNION LOCAL NO. 6, ILWU

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AGREEMENT

THIS AGREEMENT, entered into and made effective this 1 day of June, 2005, is by and between the WASTE MANAGEMENT OF ALAMEDA COUNTY for the following Divisions: Altamont Landfill, Davis Street Transfer Station, and Tri-Cities Landfill, hereinafter referred to as the Company, and the WAREHOUSE UNION LOCAL NO. 6, ILWU, hereinafter referred to as the Union. The terms of this Agreement as herein stated are the sole terms of agreement between the respective parties.

WITNESSETH

SECTION 1. RECOGNITION

(a) The Company recognizes the Union as the exclusive representative for the purpose of collective, bargaining for all Site Maintenance employees, Utility Operators, Collectors, and Heavy Equipment Operators, employed at the Company's landfills at 7010 Auto Mall Parkway, Fremont and at 10840 Altamont Pass Road, Livermore, and for Local 6 Utility-salvage employees (as described in the Transfer Station Addendum dated January 12, 1981) and collectors at the Company's transfer station at 2615 Davis Street, San Leandro, excluding supervisors, guards, and watchmen.

(b) All work performed in the collective bargaining unit, as covered by the classifications listed in the Schedules attached, and in the Transfer Station Addendum, and all employees performing such work, shall be covered by this Agreement.

(c) Membership in the Union on or after thirty (30) days following the beginning of employment or the effective date of this Agreement, whichever is later, shall be a condition of employment to the extent consistent with the law.

(d) The Company and the Union recognize the desirability of providing continued employment in the industry, and the necessity of having available at all times a supply of competent employees in the various types of work covered by this Agreement.

To provide such continued employment, the Company agrees to give preference of employment to applicants who have previous experience in the industry in the San Francisco Bay Area, by reason of having been previously employed in this industry within the past two years in a classification in this industry, or persons who are presently employed who may become unemployed during the life of the Agreement.

The Company recognizes that it has been the practice for such persons to offer themselves for employment through the Union's offices and consequently, for the purpose of assuring maximum harmonious relations and in order to obtain the best qualified employees covered by this Agreement, the Company agrees that in hiring to fill all vacancies or new positions in any classifications carrying the basic minimum rate, they shall first notify the offices of the Union. The Union will have forty-eight (48) hours to furnish competent persons for the work required. In addition the Company will work with the Union in performing an outreach to obtain a diverse ethnic and gender candidate pool in an attempt to meet the Company's Affirmative Action

Goals. The Company will provide at least annually an Affirmative Action Program report on the underutilized area and the outreach goals for the Company to be in compliance.

In the event the offices of the Union are unable to furnish competent persons satisfactory to the Company within forty-eight (48) hours, the Company may hire from outside sources. The Company retains the right to reject any job applicant referred by the Union's offices or other outside sources if the individual cannot provide appropriate employment documentation or is unable to complete the employment application and paperwork, or is otherwise unacceptable to the Company. The Company nor the Union shall discriminate against any applicant because of the person's race, religion, color, national origin, sex, marital status, age or handicap to the extent provided by law, status as a veteran of the Vietnam War era, union activities, or lack of union activities.

The Union will make a good faith effort to provide a diverse qualified candidate resource pool within the Union's Offices dispatch practices.

Should the Company utilize an applicant and orientation process the Company will contact the Union at least forty-eight (48) hours before the day of employment for the hiring hall referrals. There shall be no obligation to compensate such individuals unless and until they are actually put to work and then they will receive 2 hours pay minimum for the application and orientation process. All candidates applying for employment at the employer site will complete an application but be referred to the Union's offices during business hours to be dispatched back to the Company. The Company will notify the Union via fax of said employee name(s) prior to sending these individuals to the Union's offices.

The Union shall maintain proper registration facilities for applicants for employment to make themselves available for job opportunities, and shall conduct such registration facilities without discrimination either in favor of or against prospective employees by reason of membership in or non-membership in the Union. Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, bylaws, rules, regulations, constitutional provisions, or requirements. From such registration facilities the Union shall first dispatch to the Company upon its request any unemployed person who has worked previously for an employer in this industry in the San Francisco Bay Area, or for an employer in some other area in the same industry whom the Company may consider particularly suitable for the job. If no such person is specified by the Company in requesting referrals from the Union, then the Union shall dispatch persons for referral in accordance with the preference requirements set forth above.

The Union agrees that any employee secured through its offices or otherwise employed in accordance with the terms of this Section and who is acceptable to the Company shall not be withdrawn from his job because he is not a book member of the Union, or for the purpose of replacing him by someone else, and that no employee shall be threatened, intimidated, or otherwise encouraged to terminate his employment.

Subject to the above the Union undertakes to fill all orders for the same classification of work in order of their receipt, and agrees that neither the Union offices nor the procedure therein shall be used or devised to discriminate against, intimidate, or coerce the Company. Company

representation may visit such Union offices at any time to observe and examine their operation, and complaints concerning the operation of such Union offices and concerning violations of the above undertaking shall be adjudicated in accordance with Section 19.

The parties to this Agreement shall post in places where notices to employees and applicants for employment are customarily posted a copy of this Section, and any and all other provisions relating to the functioning of the hiring arrangement provided in this Agreement.

(e) The Company and the Union agree to use the following language for payroll deduction of Union dues:

The undersigned employee of Waste Management of Alameda County, hereby authorize and direct the said Company to deduct on my first payday of each month from any wages now or hereafter due me, and pay to Warehouse Union Local 6, ILWU, my membership dues and initiation as a member of that organization. I agree to hold the Company harmless from loss from any judgment of a court of competent jurisdiction and from any order of the Labor Commissioner or other agency of government in connection with or arising from any deductions made pursuant to this assignment. No other assignment or order exists in connection with this transaction. This assignment shall be irrevocable for a period of one year from the date hereof and shall remain in full force and effect thereafter until revoked in writing by the undersigned.

Dated:

Employee's Signature

Steward's Signature

SECTION 2. SENIORITY AND JOB BIDDING

(a) In reduction of forces due to slackness of work, the last employee hired shall be the first employee laid off, and in rehiring, the last employee laid off shall be the first employee rehired, until the list of former employees is exhausted. Seniority shall not apply to any employee until he has been employed for sixty-five (65) days (520 straight-time hours worked) accumulated within a period of twelve (12) consecutive months.

When a job position is eliminated, the lowest seniority person within that classification will be assigned to the next highest paying classification for which they have the qualification by virtue of prior service. The employee shall have more seniority than at least one of the employees currently in the classification to which the person is being assigned. If this assignment results in an excess employee in a classification, then the same method for assignment as set forth above to a lower classification shall apply. If at the end of this assignment process there is an excess employee(s) in the Site Maintenance classification, then the excess employee(s) shall be laid off pursuant to the lay off procedure outline in the paragraph above.

If the eliminated job is re-established at that same job site within six months, the employee who formerly held that position shall be reinstated to the re-established position unless that employee successfully bid on another position within the six-month period.

(b) Seniority shall be terminated by:

- (1) Discharge for cause.
- (2) Resignation.
- (3) Twenty-four (24) consecutive months of unemployment.

(c) Permanent vacancies shall be filled by seniority bid. Whenever a permanent vacancy occurs, a bid notice shall be posted at each landfill and transfer station on a mutually acceptable form for a period of seven (7) calendar days. At the conclusion of the posting period, the Company shall award the position to the most senior qualified bidder. Each bidder must qualify to do the work prior to the conclusion of the bidding period. The position vacated by the successful bidder shall be posted in the same manner. Site Maintenance vacancies shall be bid the same as any other vacancies under this section 2(c).

(d) The Company will reject the bid of any employee who has successfully bid within the previous eight (8) month period, except where the employee bids into a classification having a higher base rate of pay. Employees will not be permitted to bid into lower paid classifications except in cases of personal hardship.

(e) In determining upgrades, the Company shall consider the qualification (ability to do the job) of the eligible employees who are working at the time the upgrade is to occur. If in the judgment of the Company, the qualifications of the eligible employees are equal then seniority shall prevail.

(f) At the close of the bid the successful bidder will receive their rate of pay for the new position no later than twenty-one (21) days from the bid close. The Company will make reasonable efforts to expedite a transition in operations to allow the employees to transfer to the new bid position.

SECTION 3. DISCHARGE

(a) The Company shall have the right to discharge any employee for absenteeism, dishonesty, insubordination, intoxication, possession or use of illegal drugs, incompetence, willful negligence, or failure to observe Company safety and house rules and regulations which must be conspicuously posted and a copy provided to the Union.

(b) If an employee feels he has been unjustly discharged, he shall have the right to appeal his case to the Grievance Committee. Any such appeal, in order to be considered timely and eligible for processing, must be submitted in writing to the employee's supervisor within ten (10) working days of the date of discharge. In the case the discharge is found to be unjustifiable by the Grievance Committee, the Grievance Committee may order payment for lost time or reinstatement with or without payment for lost time.

- (c) Any discharged employee shall, upon request, be furnished the reason for his discharge in writing.
- (d) All complaints regarding discharges shall be given preference over any other matter pending between the parties.
- (e) An employee who has no disciplinary action during the prior eighteen (18) months will not have his prior discipline record taken into consideration when determining the appropriate level of disciplinary action for a current offense.
- (f) The Company shall furnish the Chief Steward and the Site Steward a written copy of any disciplinary action.

SECTION 4. STEWARD

A Steward shall be provided for each location, such Steward to be selected by employees on the job. The Union shall provide the Company with a list of Stewards and assistants and provide updates when appropriate. The parties agree that the Company shall not be obligated to recognize an employee as a Steward if the individual has not been designated as a Steward in writing by the Union. The duty of the Steward shall be to report to the Union any grievances which may arise and which cannot be adjusted on the job. It is understood and agreed that the Steward shall have no power to order any changes.

SECTION 5. BUSINESS AGENT

The business agent or qualified representative of the Union shall be allowed to talk with the employees on the job for the purpose of ascertaining whether this Agreement is being observed by the parties hereto, or to assist in adjusting grievances. This privilege shall be exercised so that no time is lost to the company unnecessarily. The Union representative shall notify the Site Manager or his designee of his presence before proceeding to speak with employees. The Union understands and agrees that its representatives must comply with all Company safety rules while on Company premises.

SECTION 6. HOLIDAYS

(a) There shall be eleven (11) paid holidays - New Year's Day, President's Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving, the last working day before Christmas, Christmas Day, and a floating holiday. For each paid holiday, employees shall be paid eight (8) hours at the straight-time rate when not worked. The floating holiday shall be observed on a date mutually agreed to by the Company and the individual employee.

(b) All eligible employees will receive one additional holiday for the employee's birthday effective June 1, 2002. This additional holiday will be taken during the workweek in which the employee's birthday falls with prior approval for the specific day with the employee's supervisor. If the employee elects to work this day and waives taking the day off, the employee will be paid an additional eight (8) hours for working the holiday at a straight time rate.

(c) To be eligible for paid holidays, the employee must have been on the payroll a minimum of three (3) months and must work the scheduled work day immediately preceding the holiday or the first scheduled work day immediately following the holiday, and shall receive holiday pay provided such employees have worked one or more days during the seven (7) calendar days immediately preceding the holiday or worked one or more days during the seven (7) calendar days immediately following said holiday.

(d) If any named holiday in this Agreement falls on a Saturday, it shall at the option of the Company on each such occasion, be celebrated on such Saturday or on the Friday immediately proceeding. If Friday is selected, all the provisions of this Section shall apply to such Friday, and if Saturday is selected, all the provisions of this Section shall apply to such Saturday, including eight (8) hours' straight time pay to qualified employees not required to work on such a Saturday.

If any named holiday in this Agreement falls on a Sunday, it shall at the option of the Company on each such occasion, be celebrated on such Sunday or on the Monday immediately following. If Monday is selected, all the provisions of this Section shall apply to such Monday, and if Sunday is selected, all the provisions of this Section shall apply to such Sunday, including eight (8) hours' straight time pay to qualified employees not required to work on such a Sunday.

(e) Any work performed on the named holidays in this Agreement shall be paid for at the rate of one and one-half (1 - 1/2) times the straight time rate in addition to the applicable holiday pay for the eligible employee.

SECTION 7. MINIMUM WORK DAYS

(a) The workweek shall be Monday through Sunday. Upon reporting for work, each employee shall be guaranteed eight (8) hours work or pay on the employee's regularly scheduled work days and on all holidays.

(b) Each employee shall be guaranteed four (4) hours' work or pay if called to work on a non-scheduled workday.

(c) Casual employees shall be guaranteed eight (8) hours' pay or the remainder of the regular workday from the time they report.

(d) When the Employer closes any day other than national disaster or other reason outside of the employers control, i.e., Easter Sunday, resulting in the employee losing the eight (8) hours guarantee for that regular scheduled work day, as in section 7(a), affected employees will have the option to work one (1) of their regular scheduled days off during that pay period at a straight time rate.

SECTION 8. MEAL PERIODS

If employees are worked over five (5) consecutive hours without a meal, all time in excess of five (5) hours shall be paid at one and one-half (1-1/2) times the straight overtime rate, as the case may be.

SECTION 9. DISABLED PERSONS

A person whose earning capacity is or shall become limited because of age, physical or mental disability, or other infirmity, may be employed or placed on light work at a wage below the minimum established by this Agreement, subject to the approval in each instance of the Company and the Union. Both the Company and the Union agree to observe the provisions of this Agreement in accordance with the American's with Disabilities Act for those employers covered by the Act.

SECTION 10. NO DISCRIMINATION

There shall be no unlawful discrimination or unlawful harassment of any kind because of race, religion, color, national origin, sex, marital status, age, disability, status as a veteran of the Vietnam War era, or union activities against a member of the Union by the Company or any one employed by the Company in accordance with applicable federal and state laws. Reference in this Agreement to employees in either gender (male or female) shall apply equally to employees of both genders.

SECTION 11. NO STRIKES OR LOCKOUTS

(a) The Union agrees that it will not support strikes or picket lines by unions not parties to this Agreement unless such union's right to organize peacefully has been interfered with by the Employer, or unless it has been denied the means of a peaceful settlement of its dispute.

The Union and its representatives agree that they will enforce full compliance with all terms and provisions of the Agreement on the part of members of the Union.

The Union, its members and representatives, agree that it and they will not engage in, authorize, sanction, or support any strike, slowdown, stoppage of work, curtailment of production, concerted refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound) or to perform customary duties or to reject promotions without justifiable personal reasons.

Neither the Union nor any representative thereof shall engage in job action for the purpose of effecting changes in the existing practices nor to effect a change of personnel or operations of management or of employees not covered by this Agreement.

(b) Any action of the employees leaving jobs for their own protection in cases of a legally declared strike by some other union directly working on the job, if such strike is sanctioned and approved by the Labor Body, or Council having jurisdiction, shall not constitute a violation of this Agreement.

SECTION 12. WAGES

(a) Wages shall be paid in accordance with the schedule attached hereto.

(b) In the application of the adjustments to arrive at the hourly rate listed in the schedules attached, no employee shall have his hourly rate reduced.

- (c) If an employee is required to work on a higher rated job for one (1) hour or more he shall receive that job rate for all work performed on the higher rated job.

SECTION 13. WORK DAY, WORKWEEK AND OVERTIME

(a) Work performed in excess of eight (8) consecutive work hours in one day or in excess of forty (40) work hours in one week shall be paid at one and one half (1 1/2) times the regular straight time rate, provided the employee works all of his scheduled hours. Work required to be performed prior to the employee's scheduled starting time and after his scheduled quitting time shall be paid at one and one half (1-1/2) times the regular straight time rate. There shall be no pyramiding or accumulating of overtime pay.

(b) One and one-half (1-1/2) times the regular straight time rate shall be paid for all hours worked on the sixth (6th) day of work in any work week. Two (2) times the regular straight time rate shall be paid for all hours worked on the seventh (7th) day of work in any work week. For purposes of computing overtime, each holiday, whether worked or not, shall be considered as a day worked.

(c) If an employee is absent with just cause, such day or days of absence, if paid, shall be counted as days worked for the purpose of determining his rate of pay on a sixth (6th) or seventh (7th) day during the workweek.

(d) Work schedules shall be posted not later than the end of the day shift on Thursday for the following workweek. Such schedules shall not be changed except in case of unexpected situations or by mutual agreement of the parties.

(e) Shifts are defined as follows: A day shift is a shift with a starting time at anytime from 4:00 A.M. to 9:59 A.M. A swing shift is a shift with a starting time at anytime from 10:00 A.M. to 6:59 P.M. A graveyard shift is a shift with a starting time at anytime from 7:00 P.M. to 3:59 A.M.

Job positions shall be bid by shift and the position posted for bid shall not indicate a position start time.

At its sole discretion, the Company shall determine the starting times for all shifts.

At its sole discretion the Company shall determine the scheduled starting times for all positions within a classification and within the shift. Starting times will be assigned by seniority on the shift and by classification.

(f) The Company shall recall laid off employees if the Company and the Union agree that the remaining employees are worked excessively so that employees on layoff could be sufficiently utilized if recalled.

(g) There shall be a shift premium of One Dollar (\$1.00) per hour worked for employees whose regular starting time is from 10:00 a.m. to 6:59 p.m. There shall be a shift premium of One Dollar and Fifty Cents (\$1.50) per hour worked for employees whose regular starting time is from 7:00 p.m. to 3:59 a.m.

SECTION 14. VACATIONS

(a) Every employee who on the most recent anniversary date of his employment shall have been in the service of the Company for a period of one (1) year or more and shall have worked a minimum of one thousand (1,000) straight-time hours within the twelve (12) month period immediately preceding such anniversary date, shall be entitled to a vacation as follows:

Two (2) weeks of vacation with pay if he/she shall have been in the service of the Company for a period of one (1) year or more but less than five (5) years prior to such anniversary date.

Three (3) weeks of vacation with pay if he/she shall have been in the service of the Company for a period of five (5) years or more but less than ten (10) years prior to such anniversary date: provided, however, that the Company may require that no more than two (2) weeks of such three: (3) week vacation be taken any one time.

Four (4) weeks vacation with pay if he/she shall have been in the service of the Company for a period of ten (10) years or more prior to such anniversary date: provided however, that the Company may require that no more than two (2) weeks of such four (4) week vacation be taken at any one time.

Five (5) weeks vacation with pay if he/she shall have been in the service of the company for a period of twenty (20) years or more prior to such anniversary date: provided however, that the Company may require that no more than two (2) weeks of such five (5) week vacation be taken at any one time.

Six (6) weeks vacation with pay if he/she shall have been in the service of the Company for a period of twenty-five (25) years or more prior to such anniversary date: provided however, that the Company may require that no more than two (2) weeks of such six (6) week vacation be taken at any one time.

For the purposes of this Section, years of service shall mean years of unbroken seniority with the Company which shall in no event be calculated from a date prior to the time the employee actually commenced working for the Company.

(b) In computing straight-time hours as that term is used in this Section and in relation to life insurance, all hours worked by the employee for the Company shall be counted, but each premium or overtime hour worked shall count as only one (1) straight-time hour. Paid holidays shall be counted toward satisfying the foregoing one thousand (1,000) straight-time hour eligibility requirement. Time lost not to exceed three hundred (300) hours as a result of an accident – as recognized by the Workers' Compensation Board – suffered during the course of employment shall be considered as time worked under the provisions of this Agreement. Paid vacation hours in the previous anniversary year shall count as qualifying hours in determining an employee's entitlement to vacation and sick leave.

(c) For employees who have been in the service of the Company for more than one (1) year and who fail to qualify for a full vacation, vacation benefits shall be pro-rated in accordance with the following schedule. (There is to be no prorating of vacation benefits for hours worked during the first three (3) months of employment.) An employee who is terminated or laid off with more than three (3) months and less than one (1) year's service shall be entitled to vacation pay computed from the third (3rd) month of service and prorated to one (1) year's service. An employee with more than one (1) year's service who fails to qualify for a full vacation shall receive pro-rated vacation pay computed from the employee's anniversary date of employment, based on years of service and pro-rated to length of service. Prorating shall be based on one-twelfth (1/12) of vacation eligibility for each month of one hundred and fifty (150) hours service.

Time off for vacation pursuant to the foregoing prorating provision shall be allowed only in full-week units. If the application of this provision results in an employee being credited with less than five (5) full days' vacation, the amount of the employee's vacation credit shall be paid in cash but the employee shall not be entitled to vacation time off. Similarly, if the application of this provision results in an employee being credited with more than five (5) but less than ten (10), or more than ten (10) but less than fifteen (15) days of vacation, the employee will be scheduled for a five (5) or ten (10) day vacation as the case may be and will be paid the excess allowance in cash.

Employees qualifying for prorated vacation whose seniority and employment is terminated for any reason shall receive in cash the prorated vacation for which they are eligible at the time of termination.

(d) For the purposes of this Section, one (1) week's pay shall mean straight-time pay for the regularly scheduled workweek at the time the vacation is taken, but in no event more than forty-eight (48) times the straight-time hourly rate of pay, nor less than forty (40) times the straight-time hourly rate of pay. If an employee works six (6) days a week during at least twenty-six (26) weeks of his/her employment year, he/she shall be paid forty-eight (48) times his/her straight-time hourly rate for each week of said vacation; if he/she fails to work six (6) days a week during at least twenty-six (26) weeks he/she shall be paid forty (40) times his/her straight time hourly rate for each week of said vacation.

(e) Subject to the Transfer Station Addendum, preference of vacation date shall be given to employees according to their seniority rating as reasonably possible. Employees shall be given, insofar as practical, two (2) weeks notice of the date upon which their vacation period will commence.

(f) The vacation must be taken within the current year, that is, it may not be accumulated to be used later in the following year.

(g) No employee shall have the privilege of drawing the vacation pay and continuing to work in lieu of taking the vacation.

(h) Vacation pay shall be given to employees at the commencement of their vacation, upon one (1) week's prior request.

(i) Employees who earn a minimum of three (3) weeks vacation in a calendar year will have the option to take one (1) week vacation in one (1) day increments. Such days must be approved at least two (2) weeks in advance by the employee's supervisor except for bona fide emergencies. Requests will be granted based on operational needs, and on a first come first serve basis. All such days must have been utilized prior to December 31st, with unused floating vacation days being paid to the employee in January.

(j) A vacation schedule shall be posted in a conspicuous place at a designated time each year. All eligible employees covered by this Agreement must indicate their preference of vacation time by seniority during the designated vacation selection period. Employees not indicating a preference for their vacation time during the aforementioned period may be assigned a vacation period by the Employer. Employees will not be permitted to select a vacation during a period prior to their becoming eligible for the vacation. The Employer has the right to determine the number of employees who will be on vacation in any one work week.

SECTION 15. HEALTH AND WELFARE

(a) Employees shall participate in the ILWU Warehouseman's Health Welfare Fund pursuant to its Trust Agreement, which Trust Agreement, together with any amendments thereto, shall be incorporated into this Agreement.

(b) (1) Eligibility for Regular Coverage. Any employee who completes eighty (80) straight-time hours of paid-for employment in any calendar month shall for the following calendar month be eligible for and covered by the above Plan.

(2) Eligibility for regular coverage shall be terminated by:

- (A) Failure to complete eighty (80) straight-time hours of paid for employment in any calendar month;
- (B) Discharge; or
- (C) Voluntary resignation;

and coverage is terminated on the last day of the month in which such eligibility for regular coverage ceases.

In calculating eligibility for regular coverage, paid vacation, paid holiday, paid sick leave, and paid funeral leave shall count as time worked.

Any employee whose eligibility for regular coverage ceases because of layoff, and who at the time of such layoff has two (2) or more years of seniority with the Company, shall at the expense of the Fund and without any contribution from the Company be granted four (4) additional months of hospital-medical, dental care, prescription drug and vision care coverage's under the plans which are in effect as to the employee at the time of layoff.

An employee eligible for regular coverage who by virtue of having two (2) or more years' seniority with the Company at the time of the employee's layoff who receives extended coverage

from the Trust Fund, shall not be eligible for more than four (4) months of such extended coverage in any twelve (12) month period irrespective of the number, frequency, or length of the employee's layoff periods. If the cost to the Fund of extended coverage for laid off employees, as herein provided, becomes excessive in the opinion of either the Union or the Fund, the provisions for extended coverage shall be subject to renegotiation at the request of either party.

Any employee having seniority pursuant to this Agreement and who by reason of disability is unable to work, shall remain eligible for regular coverage and the employee's coverage shall continue at the expense of the Company for the term of the employee's disability, not to exceed a maximum of twelve (12) months from the occurrence of the disability. The Company shall have the right to require a doctor's certificate or other reasonable proof of disability.

(c) On behalf of each employee eligible for regular coverage the Company shall pay the monthly health insurance premium to the ILWU Warehouseman's Welfare Fund. Employees shall make the following contributions as follows:

Effective June 1, 2007, and for the duration of the third year of this labor agreement, Employees will pay twenty dollars (\$20.00) per week toward the monthly health and welfare premium.

Effective June 1, 2008, and for the duration of the fourth year of this labor agreement, Employees will pay twenty-five dollars (\$25.00) per week toward the monthly health and welfare premium..

Effective June 1, 2009, and for the duration of the fifth year of this labor agreement, Employees will pay thirty dollars (\$30.00) per week toward the monthly health and welfare premium.

The above employee contributions shall be a weekly pre-tax deduction from wages pursuant to the Company's IRS Section 125 plan. Employees shall be required to sign a written authorization permitting the weekly deductions.

(3) Employees who are not eligible for regular coverage shall for the purposes of this Section be called "casual employees." The Company will pay a stipulated sum for each straight-time hour worked by such casual employees (and for each straight-time hour worked by employees who are working as casuals while on extended coverage), such sum per hour to be computed to the nearest one-fourth (1/4) cent by dividing by 173.3 the monthly contribution required for regular coverage. Such hourly sum shall be collected by the Fund each month.

These funds will first be used for the purpose of providing extended coverage under the provisions of this Section. Any balance remaining will constitute Fund reserves, the application of which will, from time to time, be determined by the Trustees.

The sums so collected by the Fund may be combined with like sums collected from non-Fund employers if necessary to effect any application which is agreed upon, provided that monies paid by such other employers with respect to such casuals shall be at rates not less than the same rate as is paid by the Fund members for each hour worked.

The Company may if the Company wishes, place a casual employee under regular monthly coverage upon commencement of employment or prior to the employee's eligibility date for

regular coverage, in which event the required hourly contribution for such casual employee shall cease upon the date on which such regular coverage is made effective for the employee.

Casual employees shall contribute to the monthly health and welfare premium in the same manner as regular employees. Said contribution shall be the same percentage as that of regular employees.

(d) Hospital-Medical-Dental Plan Delinquencies. If the trustees of the Fund through which the hospital-medical, dental, prescription drug, vision care benefits and life insurance benefits are to be administered for employees covered by this Agreement determine that the Company subscriber to any such Fund is in default (i.e. delinquent) for forty-five (45) or more days in the payment of any amount or amounts due said Fund from said Company, the Trustees may notify such Company by certified or registered mail, return receipt requested, of such delinquency and shall at the same time send a copy of said notice to the Union. Such notice shall specify the amount of the delinquency together with any other amounts which have been assessed and remain unpaid.

If after the expiration of fifteen (15) days from the mailing of such notice to the Company, the full unpaid amount specified in said notice has not been paid in full to the Fund, the Union may give five (5) days' written notice by certified or registered mail, return receipt requested, (excluding Saturdays, Sundays, and holidays) to the delinquent Company of such delinquency in payments; and if at the conclusion of said five (5) days the amount of such delinquency has not been paid in full to the fund, then, and notwithstanding anything otherwise contained in this Agreement, the Union shall have the right to take such legal or economic action as it may determine against the Company to collect such delinquent amount. Furthermore, the delinquent Company shall be liable to their employees for any and all benefits under the hospital-medical-dental, prescription drug plan, vision care plan, and life insurance plan to which the employee would have been entitled if the Company had not been delinquent in the payment of such contributions. As an additional remedy, the employee shall have the right in addition to all other rights above set forth, to bring legal action against such delinquent Company to obtain payment of such benefits. In any legal action, such Company shall bear all court costs together with reasonable attorney's fees in such amount as the court in such action may determine.

If the union elects to strike such Company in accordance with these provisions, the right to strike shall terminate as soon as the Company has paid said delinquency.

The right of the Local Union to take action as hereinabove provided shall exist only in the event the Trustees shall make the default determination and issue the written notice thereof hereinabove specified; and such Trustee's notice of default may be given only upon the decision of the Trustees, and they shall not have the right to delegate the making of such decision to any administrator or other person.

(e) In addition to the contribution stated above, and subject to the provisions of Subsection (d)(1) of this Section 15 with respect to contributions after May 31, 1991, the company agrees to pay monthly to the Distributors Association Pensioners Hospital and Medical Trust the amount of Forty-Seven Dollars and Sixty-Six Cents (\$47.66) per eligible employee.

SECTION 16. PENSIONS

The Company adopts and agrees to be bound by that certain pension agreement made and entered into the 2nd day of July 1982, and Appendix thereto regarding Hospital-Medical Care for Retired Pensioners, as amended and extended between the Industrial Employers and Distributors Association and Warehouse Union Locals 6 and 17, ILWU and to perform all the terms and provisions thereof and to make contributions required to be made as set forth therein.

SECTION 17. SICK BENEFIT ALLOWANCE

(a) Every employee covered by this Agreement who has been continuously employed by the Company for a period of at least one (1) year shall thereafter be entitled to ten (10) days (eighty (80) straight-time hours) sick leave with pay per contract year. A doctor's certificate or other reasonable proof of illness may be required by the Company if the employee's illness results in absence from work for more than three (3) consecutive days. Such sick leave with pay shall be applicable only in cases of bona fide illness or accident. Sick leave pay shall commence with the first day. Sick leave for the period between an employee's first anniversary date and the commencement of the following contract year (June 1) shall be pro-rated.

(b) For the purposes of this paragraph, full pay shall mean pay for the regular daily schedule of working hours for those days the employee would have worked had the disability not occurred, calculated at straight-time or one-half such amount.

(c) If an employee is absent the day before or the day after a holiday due to bona fide illness or accident, said holiday shall be considered a work day's absence.

(d) Unused sick leave, up to a maximum of twenty-five (25) days, may be accumulated and carried over from year to year. Days accumulated at the end of any year in excess of twenty-five (25) days shall be paid to the employee as a cash bonus. In no event shall the twenty-five (25) days or any portion thereof be convertible to cash bonus. In the event that an active employee has not used all of his accrued sick leave at the time of death or retirement as defined by the Industrial Employers and Distributors Association, the Company agrees to pay the employee's sick pay accumulated but not used.

(e) Job Injuries. Whenever an employee who has been injured on the job and has returned to work is requested by the company's compensation doctor to leave work to report for treatment during working hours, he shall be allowed time off up to two (2) hours for such treatment without loss of pay.

(f) In industrial injury or disability cases, Workers' Compensation or Unemployment Disability (UCD) benefits and sick benefit allowances shall be paid separately, but in the event Workers' Compensation payments or Unemployment Disability payments, cover all or part of the period during which sick benefit allowances are paid, the sum of the two shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with Workers' Compensation or Unemployment Disability payments is to be automatic; the Company may not waive integration, and any employee entitled to Workers' Compensation or Unemployment

Disability payments must apply therefore- (in order that the principle of integration may be applied) before sick benefits are payable.

SECTION 18. BEREAVEMENT LEAVE

In the event of a death in the immediate family of an employee who has one or more years of seniority with the Company, he/she shall, upon request, be granted time off with pay to make arrangements for the funeral, attend the funeral and to bereave the death. The bereavement leave shall not exceed three (3) regularly scheduled working days if the employee does not travel outside of the state of California, or the bereavement leave will be five (5) regularly scheduled working days to afford the employee the time to travel outside of the state of California to attend the funeral or make arrangements for the funeral. In the case where a funeral is out of state but the employee does not travel out of state to attend the funeral but needs time off for the bereavement the employee will be afforded three (3) regular scheduled working days off for the bereavement.

If the bereavement occurs while an employee is on vacation, the employee may choose one of the following two options. Provided that the employee notifies the Company as soon as possible but not later than twenty-four (24) hours before the end of his/her scheduled vacation, the employer may extend his/her vacation three (3) or five (5) days depending on the bereavement leave for which the employee qualifies; or the employee may receive three (3) or five (5) additional vacation days, depending on the type of bereavement leave for which the employee qualifies, to be taken at a later date agreed upon with the employee's supervisor.

For the purpose of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, child(ren), grandparents, grandchild(ren), brother-in-law, sister-in-law, mother-in-law, father-in-law, grandparents-in-law and step family. The Company may require reasonable proof of the deceased's relationship to the employee.

SECTION 19. GRIEVANCE COMMITTEE

(a) Both parties agree that all disputes concerning the interpretation or application of this Agreement shall be processed in the following manner. Within ten (10) calendar days from the time the dispute in question occurred, the employee, the site/shift steward and a representative of the Company will meet in order to attempt to resolve the matter on an oral basis. Upon conclusion of this meeting, if the grieving party is not satisfied with the results, the grieving party must submit a written grievance within ten (10) calendar days following this meeting.

Both parties agree to have a monthly meeting to address all grievances. A committee shall be formed which shall consist of three (3) representatives designated by the Company and three (3) employees of the Company designated by the Union.

In the event the committee is unable to agree on any matter submitted to it, the grieving party may decide to proceed to arbitration.

The decision to arbitrate shall be made within thirty (30) calendar days following the last grievance hearing and shall be made in writing by the grieving party to the other party. If the grieving party requests arbitration the parties shall attempt to select an arbitrator in forty-five

(45) days after the request to arbitrate and at this meeting the parties shall mutually agree on an arbitrator. Each party to any case submitted to arbitration shall bear the expense of preparing and presenting its own case, including witnesses, and shall pay one half (1/2) of the charges of the American Arbitration Association and of the arbitrator incurred in the arbitration of the case.

By mutual agreement the parties may extend any deadline in this section. Failure to comply with any of the time requirements of this section shall result in a waiver of the grievance.

(b) All complaints involving or concerning payment or compensation shall be filed in writing and no adjustments shall be retroactive for more than ninety (90) days in such cases, but only complaints involving or concerning payment or compensation under the terms of this Agreement and written agreements and supplementary agreements may be considered by the Grievance committee. The Arbitrator shall have no authority to alter, amend, add to or subtract from the terms of this Agreement.

SECTION 20. NEW PROCESSES & NEW MACHINES

The Company shall notify the Union in advance of any permanent layoff of seniority employees which is going to result from the installation of new machinery or new processes in order that the impact of such layoff upon the employees may be discussed.

SECTION 21. UNION OFFICIALS' SENIORITY

Any employee who now holds office or who shall hereafter be elected or officially appointed to office in the Union, which office requires his/her absence from the service of the Company, shall be granted a leave of absence therefore without loss of seniority entitling him/her upon retirement from such office to reinstatement consistent with this seniority; provided, however, that such leave of absence shall not extend beyond the term of this Agreement, unless extended by mutual consent.

SECTION 22. BULLETIN BOARDS

The Company shall provide a reasonable number of bulletin boards in places reasonably accessible to the employees covered by this Agreement for the purpose of posting notices of official Union business, such as, times and places of meetings.

SECTION 23. MILITARY SERVICE

Any employee on the seniority list of the employer covered by this Agreement who enters the military service of the United States of America shall be granted all seniority and reemployment rights required by and in accordance with applicable federal law.

SECTION 24. MISCELLANEOUS PROVISIONS

(a) Each employee shall receive a ten (10) minute rest period halfway between each four (4) hour work period. A ten (10) minute relief period shall also be provided when employees are required to work in excess of two (2) hours of overtime.

(b) Any employee who has one (1) or more years' seniority with the Company and has qualified for his/her initial vacation, if called and reporting for jury duty, will be entitled to the difference between jury duty pay and his/her regular daily rate of pay for each day of jury service up to the maximum of fourteen (14) working days during any twelve (12) consecutive months.

(c) Except as permitted by this Agreement, any wages now being paid above minimums provided for herein shall not be reduced for any cause. Any past practice, as that term is interpreted and applied by an Arbitrator pursuant to this Agreement, shall be recognized by the parties. In the event of a dispute with regard to the interpretation and/or application of this Section, either party may file a grievance under Section 19 of the Agreement.

(d) The Employer will furnish each employee with two (2) pairs of gloves every three (3) months plus an annual boot allowance of one hundred twenty-five dollars (\$125.00) in January of each year. Employees are required at all times while working to wear safety/work boots acceptable to the Employer. The condition, type and minimum safety requirements of the employee's boots must also be acceptable to the Employer. For all new hires the Company shall purchase their first set of boots up to a maximum of one hundred twenty-five dollars (\$125.00).

(e) Whenever an employee has been injured on the job and has returned to work as requested by his/her personal physician (selected and defined in accordance with applicable state law) or the Company's compensation doctor requests him/her to leave work to report for treatment during working hours, he/she shall be allowed time off up to two (2) hours for such treatment without loss of pay.

(f) The Company shall provide each employee who works outdoors one set of rain apparel (including jacket and trousers) between June and September each year. Rain hats shall be provided as required, limited to one (1) hat per year. The Company will require the return of apparel previously issued upon termination of employment or prior to issuing new gear.

(g) Where employees are exposed to excessive noise or dust, the Company will provide ANSI-approved dust masks and ear protection. Safety gear lost or abused will be replaced by the employee.

(h) All benefits including vacation pay, holidays, sick leave, jury duty and funeral leave shall be paid at the higher of: (a) the employee's regular classification rate or (b) the rate of the classification in which the employee is working or is scheduled to work when the above benefits are scheduled to be paid, provided that the employee has been working in this classification for not less than fifteen (15) working days during the immediately preceding sixty (60) working days.

(i) When an employee is off work for any reason, other than scheduled vacation, on a leave of absence the employee upon return to work if the return date was unknown must notify their shift supervisor at least twenty-four (24) hours prior to start of the schedule shift. If an employee does not notify their supervisor at least twenty-four (24) hours prior and they appear for work and no work is available the employee will be sent home without pay for the day.

SECTION 25. TRANSPORTATION

When an employee is required to use his/her personal vehicle to drive from one disposal site to another, he/she will be compensated for his/her travel at the then-current mileage reimbursement rate set by the Internal Revenue Service.

SECTION 26. MANAGEMENT RIGHTS

The Union recognizes the Company's inherent and traditional right to manage its business, to establish reasonable work rules and require their observance. The Company shall have the right to direct the working force in the performance of their work assignments, including the assignment of jobs and equipment, promotions and demotions, as well as to regulate the general working conditions and the efficiency of the operations. The Company will make every attempt to distribute the work in each classification fairly and equally. The rights of the Company in the operations of its business are unlimited except as it may be expressly and specifically restricted by the provisions of this Agreement, and this Agreement is the sole agreement between the parties.

SECTION 27. SEVERANCE PAY

In the event of a facility shutdown or permanent layoff resulting from the introduction of new machinery or new process, the Company agrees to provide each employee so affected with one weeks' pay for each year of service with the Company.

In the event of a facility shutdown because of relocation or liquidation, either in whole or in part, but not from loss or termination of a service contract, the Company agrees to provide each employee so affected with one (1) week's pay for each year of service with the Company.

Severance pay provisions shall not apply to employees who are offered employment at comparable pay and benefits at other positions or locations within a fifty (50) mile radius by the Company, any parent or subsidiary, or successor to them.

The Company shall provide four (4) months of health and welfare benefits which include hospital, medical, dental, prescription, vision, and life insurance to each employee receiving severance pay effective the first month following severance from the job.

SECTION 28. LEAVE OF ABSENCE

(a) Any employee desiring a leave of absence from his/her employment shall secure written permission for the Company who shall send a copy to the Union by certified mail within ten (10) days of the commencement of the leave. The decision of the Company on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive and shall not be subject to the grievance procedure of this Agreement. Except as otherwise provided in this Section the maximum leave of absence shall be for thirty (30) days and may be extended for like period. Family and Medical Leaves of Absence shall be granted to employees in accordance with Company Policy, which Policy shall be in compliance with the Family and Medical Leave Act of 1993 and applicable state law.

(b) Written permission for such extended periods shall be secured from the Company with a copy of the extension to the Union. The first approved leave of absence plus approved extended leaves of absence shall not exceed a maximum time period of six (6) months. During an approved leave of absence the employee shall not engage in gainful employment unless authorized to do so by the written permission. The Company may terminate any employee who violates the terms and conditions of the written permission for leave or extension thereof.

(c) Notwithstanding the above, employees shall be provided leaves of absence as required by applicable federal and/or state laws.

SECTION 29. SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

(a) Scope of Agreement. Except as otherwise specifically provided herein, this Agreement, the Transfer Station Addendum dated January 12, 1981, the Joint Agreement Resolution of Jurisdictional Disputes dated January 12, 1981, and the July 12, 2005, No Strike/No Lockout Letter of Understanding fully and completely incorporate the understanding of the parties hereto and constitute the sole and entire agreement between the parties on any and all matters subject to collective bargaining. Neither party shall, during the terms of this Agreement, demand any change therein, nor shall either party be required to bargain with respect to any matter. Without limiting the generality of the above, both parties in their own behalf waive any right to demand of the other any negotiating, bargaining, or change during the life of this Agreement with respect to pensions, retirement, health and welfare, annuity or insurance plans, or respecting any questions of wages, hours, or any other terms or conditions of employment: provided that nothing herein shall prohibit the parties from changing the terms of this Agreement by mutual agreement.

(b) Separability of Provisions. Should any section, clause or provision of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section clause or provision shall not invalidate the remaining portion hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement.

Upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions, the dispute may at the request of either the Company or the Union be referred to arbitration for settlement pursuant to the provisions of Section 19 hereof, but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide the same specific objective and purpose of the provision rendered or declared illegal.

(c) Unlawful Action Not Required. The parties agree that neither will willfully require the other to do or perform any act prohibited by law.

SECTION 30. SUBCONTRACTING

The parties agree that the Employer will not subcontract existing bargaining unit work, where to do so would cause the layoff of bargaining unit employees. The Employer agrees to discuss its plan to subcontract work with the Union prior to the commencement of such subcontracting.

SECTION 31. DURATION OF AGREEMENT

This Agreement shall be effective upon execution, except for those provisions of the Agreement which have been assigned other effective dates as here in above set forth and shall remain in full force and effect to and including May 31, 2010, and shall continue thereafter from year to year unless at least sixty (60) days prior to the first day of June 2010 or to the first day of June of any subsequent year either party shall file written notice with the other of its desire to amend, modify, or terminate this Agreement.

WAREHOUSE UNION, LOCAL 6, ILWU

**WASTE MANAGEMENT OF
ALAMEDA COUNTY**

For Its Divisions:

Altamont Landfill, Davis Street
Transfer Station and Tri-Cities
Landfill

By: Victor Paminoyan

Business Agent

By: [Signature] 1/15/07

By: Fred Parker

By: _____

NEGOTIATING COMMITTEE

By: _____
Jose Martinez

By: _____
Jose Nuñez

By: _____
Heather Chu

By: _____
Marty Beard

By: _____
Jose Sanchez

By: _____
Luola Hall

By: _____
Rudy Montoya

By: _____
Jose Poblete, Sr.

SCHEDULE "A"

<u>Classification</u>	<u>Effective Dates</u>				
	6/1/05	6/1/06	6/1/07	6/1/08	6/1/09
HEO	25.05	25.80	26.80	27.60	28.40
Collector	23.63	24.38	25.38	26.18	26.98
Utility	23.28	24.03	25.03	25.83	26.63
Site Maintenance - As of May 1, 2005	18.75	19.50	20.50	21.30	22.10

Site Maintenance-Entry Level:

All Site Maintenance employees hired after execution of this contract shall receive \$13.00 per hour for the first 519 hours of work. Thereafter, they shall receive .50¢ increases every four (4) months of work until their pay equals the applicable contract rate.

The Company shall utilize the Site Maintenance employees to perform all site maintenance duties within the company property lines governed by this agreement. The Company shall not utilize subcontract labor for litter picking services within the company property limits unless mutually agreed to by the Company and the Union. The following pay scale shall apply to all Site Maintenance people employees hired on or after the signature date of this agreement.

Lead Person: The Company may establish or discontinue Lead Person positions within a classification in the following manner. The Company will post an opening for a lead person position if in the judgment of the Company business needs require such a position. The Company will consider seniority, qualifications and skill in filling the positions, but the final decision on filling the position shall be at the Company's discretion.

It is understood that an employee may not bid on a Site Maintenance Lead Person position unless that employee has completed at least one year of employment. An employee may not bid on a Lead Person position for any other classification unless the employee has at least two years of employment with the Company.

The Lead Person shall receive \$1.00 per hour above his or her base rate for performing the Lead Person duties.

Heavy Equipment Operator: Employees who are promoted to Heavy Equipment Operator shall receive no change in pay during the first six (6) months from commencement of training. Pay increases shall be granted at 6-month intervals thereafter to 90%, 95%, and 100%, respectively, of the rate of pay for Heavy Equipment Operator. This provision shall not operate to reduce the rate of pay for any promoted employee.

**AGREEMENT FOR TRAINING OF HEAVY EQUIPMENT OPERATORS AND
THE BIDDING OF PERMANENT HEO VACANCIES**

Within twelve (12) weeks of the ratification of the parties' collective bargaining agreement the Company shall request applications once a year from employees who wish to be trained as heavy equipment operators. Applications must be submitted within seven (7) days of the Employer posting a notice that it is accepting applications. The Company will post the names of the interested employees within ten (10) working days of the end of the posting period. This list will be valid for twelve (12) months from the posting of the names. Employees who have worked for at least three (3) months during the last two years as a Utility Operator or Collector for the Company shall be given first priority for training. Such employees shall be offered training in seniority order. Training for the HEAVY EQUIPMENT OPERATOR position shall be conducted by the Company with the assistance of qualified employees who are Local 6 members. Employees shall be trained on an as needed basis and shall be selected for training based on seniority.

The District Manager shall decide whether an employee is qualified to be a heavy equipment operator. A qualified Local 6 operator/employee, as selected by the Union, shall be present to observe the administering of the qualification exam to selected employees. The participation of the observer shall not delay the administering of the exam. The reasonable qualifying criteria will be provided to the employees and the Union prior to the commencement of selection for training. Any changes to such criteria shall be posted for the employees and provided to the Union prior to being implemented. A copy of the criteria will be provided to any applicant upon request. If qualified after training, these employees shall be required to perform as relief or fill-in HEAVY EQUIPMENT OPERATORS as may be directed by the Company. If not qualified, the employee may have one additional opportunity to apply for further HEO training, but may not apply for at least twenty four (24) months from the initial disqualification. Employees may be disqualified for longer periods of time by mutual agreement of the parties. The Company shall provide written notification of disqualification to both the employee and the Union. If the Union disagrees with the Company's determination that an employee is not qualified it may file a grievance pursuant to Section 19 of the parties' collective bargaining agreement.

Permanent vacancies for HEAVY EQUIPMENT OPERATOR shall be bid and filled in accordance with Section 2(c) of the Collective Bargaining Agreement. The bid notice shall be posted at each location on the same day, with a copy given to a steward at each site and a copy mailed to the Union at the beginning of the posting period. If there is no qualified bidder during the posting period, the Company shall so notify the Union. Should there be no qualified bidder for any such vacancy, the job may be filled by the Company by requiring the least senior qualified employee to fill the vacancy or by hiring from outside the Company. However, the Company may only hire from outside where it has attempted to train four (4) employees within the previous (12) months and offered the above qualification exam to employees with experience and knowledge of heavy equipment operation from prior employment..

Any employee hired from outside, as stated above, shall hold only the classification of HEO and Site Maintenance until such time he successfully bids into another classification under this Agreement.